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UNCLAS BRASILIA 000100

SIPDIS

STATE FOR WHA/BSC, EB/TPP/MTA/IPC SWILSON, AND CA/VO
STATE PASS TO USTR FOR SCRININ, LYANG AND BPECK
USDOC FOR
4322/ITA/MAC/WH/OLAC/WBASTIAN/JANDERSEN/DMCDO UGALL/DRISCOLL
USDOC FOR 3134/USFCS/OIO/EOLSON/DDEVITO
NCS FOR DEMPSEY

E.O. 12958: N/A

TAGS: [KIPR](#) [KCRM](#) [PGOV](#) [ECON](#) [BR](#)

SUBJECT: "O ESTADO DE SAO PAULO" ARTICLE ON THE ARREST OF
JULIO LAW

REF: A) 04 BRASILIA 2835, B) 04 SAO PAULO 1611, C) 04

BRASILIA 1384

[1](#)1. The December 24 "O Estado de Sao Paulo" article set forth in paragraph 2 (below) describes the arrest by the GoB Federal Police of Julio Law -- the brother of notorious pirated goods trafficker Law Kin Chong. Federal Police sources have told Mission officers that as of January 11, Julio Law remains in custody. With respect to Law Kin Chong, a separate newspaper article, which appeared in the "Folha de Sao Paulo" of December 29, indicated that Law Kin Chong's request for habeus corpus was denied by the Federal Supreme Court. Post thought that these items might be of interest to those in Washington who follow IPR developments in Brazil.

[1](#)2. (Begin Unofficial Embassy Translation)

Headline: In the Midst of Shopping, a Piracy Offensive

Yesterday [December 23] at nine o'clock, the Federal Police arrested Chinese national Julio Law, brother of Law Kin Chong, the biggest smuggler in the country. Julio was given five days of temporary arrest and will have to explain the origin of 18 tons of electro-electronics seized yesterday in two containers in the Port of Santos, in the Baixada Santista.

Julio was followed from his home in Alphaville in Greater Sao Paulo to one of his companies on Rua 25 de Marco, in downtown Sao Paulo, where he was arrested. From there, he was taken to Federal Police headquarters in Pirituba, western zone.

According to the police, the products were in the name of one of Julio's companies. Detective Antonio Wagner Castilho said that besides electronic goods, they seized tennis shoes, purses and watches -- all famous name-brand knock-offs.

The containers came from China, passed through Africa where the destination and product content were altered, and entered Brazil through the Port of Santos, as if they were a shipment of plastics.

Five detectives and 31 federal agents participated in the operation, from the seizure of the products to the detention of Julio Law. His arrest was decreed by Judge Helio Egydio de Matos Nogueira, of the 6th Federal Criminal Court, and can be extended for another five days. Julio Law was indicted for contraband, embezzlement, and tax evasion.

Law Kim Chon has been in the custody of the Federal Police in Brasilia since June 1, 2004. He was accused of offering a bribe to Federal Deputy Luis Antonio de Medeiros, to keep himself out of the CPI Piracy report.

At 13h15, military police, justice officials and judicial experts conducted an order of search and seizure in the Mini-shopping Stand Center on Avenida Paulista. The objective was to apprehend pirated software and computer video games. A young man who worked in one of the stores was detained for questioning.

End unofficial Embassy translation.

Chicola